



**Office of Audits  
Office of Inspector General  
U.S. General Services Administration**

IMPLEMENTATION REVIEW OF ACTION PLAN

**Audit of the Administration of Regional Local  
Telecommunications Services Contracts,  
Northeast and Caribbean Region  
Report Number A130010/Q/2/P14003  
August 11, 2014**

*Assignment Number A160119  
September 28, 2016*



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**Office of Audits  
Office of Inspector General  
U.S. General Services Administration**

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DATE: September 28, 2016

TO: Gregory Hammond  
Regional Commissioner  
Federal Acquisition Service, Northeast and Caribbean Region (2Q)



FROM: Gregory Ventola  
Audit Manager  
Northeast and Caribbean Region Audit Office (JA-2)

SUBJECT: Implementation Review of Action Plan  
Audit of the Administration of Regional Local Telecommunications  
Services Contracts, Northeast and Caribbean Region  
Report Number A130010/Q/2/P14003  
August 11, 2014  
*Assignment Number A160119*

We have completed an implementation review of the management actions taken in response to the recommendations contained in the subject audit report (see **Appendix A**). The objective of our review was to determine whether FAS, Northeast and Caribbean Region, has taken the corrective actions as outlined in the action plan for the *Audit of the Administration of Regional Local Telecommunications Services Contracts, Northeast and Caribbean Region*. To accomplish our objective we:

- Reviewed the audit report recommendations and approved corrective action plan;
- Reviewed documentation submitted by the FAS Network Services Division (Network Services) to the GAO/IG Audit Response Division to resolve action plan items;
- Held discussions with FAS officials; and
- Obtained additional documentation to support FAS's response to the audit.

Our implementation review found that FAS, Northeast and Caribbean Region, completed all action steps outlined in the action plan, dated September 19, 2014.

This review was managed out of the Northeast and Caribbean Region Audit Office and conducted by the individuals listed below:

Gregory Ventola     Audit Manager  
David Welt           Auditor-In-Charge

On behalf of the audit team, I would like to thank you and your staff for your assistance during this review.

## Background

On August 11, 2014, we issued an audit report, *Audit of the Administration of Regional Local Telecommunications Services Contracts, Northeast and Caribbean Region* to the then-Acting Regional Commissioner of FAS. FAS provides telecommunications services contracts, referred to as Regional Local Telephony Contracts (RLTCs), for federal agencies. These contracts provide federal government users continuity of services and a measure of price stability for local telecommunications services. Network Services assists customer agencies in obtaining comprehensive telecommunications services at the lowest aggregate prices. Additionally, Network Services is responsible for assisting customer agencies in defining requirements, identifying solutions, ordering services, and managing telecommunications services, including billing operations.

Our audit found:

- The absence of a team lead for Network Services IT Managers results in inefficient administration of RLTCs.
- Inadequate training requirements for IT Managers result in inefficient administration of RLTCs.
- Customers are billed an undisclosed markup due to a lack of transparency in the billing process.

To address the issues identified in the report, we recommended that the then-Acting Regional Commissioner of FAS, Northeast and Caribbean Region:

1. Establish a permanent team lead position within Network Services.
2. Implement a policy that requires Network Services IT Managers to complete specialized training to ensure that they have the necessary skills to efficiently administer RLTCs.
3. Develop and implement an on-the-job training plan to assist less experienced IT Managers in acquiring the skills necessary to administer contracts, regardless of complexity.
4. Require Network Services to establish formal agreements with customer agencies that set terms and conditions, and outline all pricing components including the RLTC rates that GSA pays to vendors.

5. Implement a policy that requires full disclosure of all administrative surcharges by clearly itemizing customer invoices.

The then-Acting Regional Commissioner of FAS, Northeast and Caribbean Region, agreed with the report recommendations.

## **Results**

Our implementation review found that FAS, Northeast and Caribbean Region, has completed the corrective action steps detailed in its corrective action plan dated September 19, 2014. Therefore, no further action is necessary.

## Appendix A – Action Plan for Report Number A130010/Q/2/P14003

### ACTION PLAN

POC: [REDACTED]  
 Telephone: [REDACTED]  
 Date: [REDACTED]

Audit Report Number/Title	Recommendation Number	Estimated Completion Date
Audit of the Administration of Regional Local Telecommunications Services Contracts, Northeast and Caribbean Region Report Number: A130010/Q/2/P14003	1	September 8, 2014

**Recommendation:** (1) Establish a permanent team lead position within Network Services.

Step	POC	Action	Support Documentation to be Provided	Estimated Completion Date
1	[REDACTED]	Detail individuals from Network Services to the role of Supervisory IT Manager.	Completed	September 2013-August 2014
2	[REDACTED]	Obtain Hiring Exception Request (HER) to fill the Supervisory IT Manager Role for longer than 120 days.	Completed	August 2014
3	[REDACTED]	Fill HER and have a permanent Supervisory IT Manger.	Completed	September 15, 2014

## Appendix A – Action Plan for Report Number A130010/Q/2/P14003 (cont.)

### ACTION PLAN

POC: [REDACTED]  
 Telephone: [REDACTED]  
 Date: [REDACTED]

Audit Report Number/Title	Recommendation Number	Estimated Completion Date
Audit of the Administration of Regional Local Telecommunications Services Contracts, Northeast and Caribbean Region Report Number: A130010/Q/2/P14003	2, 3	October 2014

**Recommendation:** (2) Implement a policy that requires Network Services Information Technology Managers (IT Managers) to complete specialized training to ensure that they have the necessary skills to efficiently administer Regional Local Telecommunications Contracts (RLTC).

(3) Develop and implement an on-the-job training plan to assist less experienced IT Managers in acquiring the skills necessary to administer contracts regardless of complexity.

Step	POC	Action	Support Documentation to be Provided	Estimated Completion Date
1	[REDACTED]	Reassign agencies to IT Managers in order to help balance work amongst team members.	Completed	January 15, 2014
2	[REDACTED]	Create and track Individual Development Plans (IDPs) within Salesforce platform for all IT Managers. IDPs are to include training classes and certifications to be completed.	Completed	April 11, 2014
3	[REDACTED]	Conduct skill assessment of Network Services workforce to help identify pertinent training requirements needed to obtain FAC-C Project Management and FAC-C COR level III.	E-mail noting that the skill assessment and FY15 IDPs has been completed and approved.	October 2014
4	[REDACTED]	Director and Supervisory IT Manager will work closely with all IT Managers in planning, scheduling, and understanding customer requirements related to RLTC transitions.	N/A	Ongoing

## Appendix A – Action Plan for Report Number A130010/Q/2/P14003 (cont.)

### ACTION PLAN

POC: [REDACTED]  
 Telephone: [REDACTED]  
 Date: [REDACTED]

Audit Report Number/Title	Recommendation Number	Estimated Completion Date
Audit of the Administration of Regional Local Telecommunications Services Contracts, Northeast and Caribbean Region Report Number: A130010/Q/2/P14003	4, 5	October 2015

**Recommendation:** (4) Require Network Services to establish formal agreements with customer agencies that set terms and conditions, and outline all pricing components including the RLTC rates that HAS pays to vendors.

(5) Implement a policy that requires full disclosure of all administrative surcharges by clearly itemizing customer invoices.

Step	POC	Action	Support Documentation to be Provided	Estimated Completion Date
1	[REDACTED]	Conduct pricing review in order to ensure all prices in TOPs are equal to contract prices.	Completed	August 12, 2014
2	[REDACTED]	Participate in the national effort to reconcile all billing issues.	N/A	Ongoing
3	[REDACTED]	Notify customers of all pricing and services while transitioning them to the RLTC.	N/A	Ongoing
4	[REDACTED]	Move to the Federal Acquisition Services (FAS), Integrated Technology Services (ITS), Network Services' (NSD) nationwide NS2020 Strategy. FAS is in the process of integrating the Network Services program. The program office will be setting the rate structure, and requiring Inter-Agency Agreements with all NSD customers.	N/A	Scheduled to begin October 2015.

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## ***Appendix B – Report Distribution***

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Regional Commissioner, FAS, Northeast and Caribbean Region (2Q)

Deputy Regional Commissioner, FAS, Northeast and Caribbean Region (2Q)

Regional Administrator, Northeast and Caribbean Region (2A)

Commissioner, FAS (Q)

Deputy Commissioner, FAS (Q1)

Chief of Staff, FAS (Q0A)

Regional Counsel, Northeast and Caribbean Region (LD2)

Director, Network Services Division, Northeast and Caribbean Region (2QTC)

Supervisory IT Manager, Office of Integrated Technology Services (QTCDA)

Branch Chief, GAO/IG Audit Response Branch (H1C)

Audit Liaison, FAS, Northeast and Caribbean Region (2Q1)

Assistant Inspector General for Auditing (JA)

Deputy Assistant Inspector General for Investigations (JID)

Director, Audit Planning, Policy, and Operations Staff (JAO)